

ORIGINAL



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Richard L. Sallquist (002677)
Sallquist, Drummond & O'Connor, P.C.
4500 S. Lakeshore Drive
Suite 339
Tempe, Arizona 85282
(480) 839-5202

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AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

APR 30 2007

Attorneys for Keaton Development Company

DOCKETED BY	
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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02169A-07-0098
KEATON DEVELOPMENT COMPANY FOR)
AN EXTENSION OF ITS CERTIFICATE OF) **AMENDED APPLICATION**
CONVENIENCE AND NECESSITY FOR THE)
PROVISION OF WATER SERVICE IN)
PORTIONS OF LA PAZ COUNTY, ARIZONA,)

1. On February 13, 2007, Keaton Development Company, by and through undersigned counsel, filed an Application to extend its existing Certificate of Convenience and Necessity.

2. The Developer of the original extension area has received additional subdivision approvals on an adjacent parcel known as Lots 45 to 73 of Salome Heights Subdivision (herein after referred to as "Salome Heights"), and has now requested the Company to serve that area as well. Please see Attachment 1 hereto.

3. Attached hereto as Revised Exhibit B is Legal Description including both Sunshine Acres and Salome Heights. A Plat Map is attached to the Utilities Division copy of this Amended Application.

4. Attached hereto as Revised Exhibit C is a map showing both Parcels.

5. Attached hereto as Revised Exhibit E is a revised spreadsheet showing the effect of both Parcels.

6. The additional cost to serve Salome Heights is attached hereto as a revised response to Paragraph J of the February 13, 2007 Application.

7. The Arizona Department of Environmental Quality Approval to Construct for Salome Heights will be filed upon receipt as a Late filed Exhibit or compliance item.

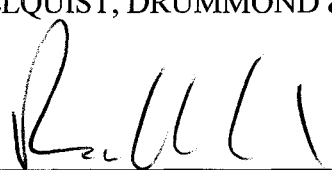
8. The Arizona Department of Water Resources determination of Adequacy for Salome Heights will be filed upon receipt as a late filed Exhibit or compliance item.

1 9. All other portions of the Application remain unchanged.

2 WHEREFORE, the Company respectfully requests that this Salome Heights Subdivision be
3 processed for inclusion in the Company's CC&N with the Sunshine Acres Subdivision.

4 DATED this 30 day of April, 2007.

5 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

6
7 By 
8 Richard L. Sallquist
9 4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
Attorney for Keaton Development Company

10 Original and fifteen copies of the
11 foregoing filed this 30 day
of April, 2007, with:

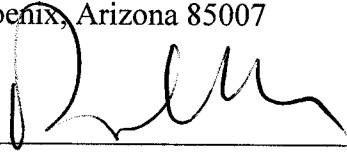
12 Docket Control
13 Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

14 A copy of the foregoing filed/mailed
15 this 30 day of April, 2007, to:

16 Hearing Division
17 Arizona Corporation Commission
1200 W. Washington
Phoenix, Arizona 85007

18 Utilities Division
19 Arizona Corporation Commission
1200 West Washington
20 Phoenix, Arizona 85007

1 Legal Division
2 Arizona Corporation Commission
3 1200 West Washington
4 Phoenix, Arizona 85007

A handwritten signature in black ink, appearing to be 'D. L. H.', is written over a horizontal line.

LIST OF EXHIBITS

**ATTACHMENT,
EXHIBIT,
OR PARAGRAPH**

DESCRIPTION

ATTACHMENT 1.	REQUEST FOR SERVICE
REVISED EXHIBIT B.	REVISED LEGAL DESCRIPTION
REVISED EXHIBIT C.	REVISED MAP OF EXISTING AND REQUESTED AREA
REVISED EXHIBIT E.	REVISED CUSTOMER COUNT AND REVENUE/EXPENSE COMPUTATIONS
PARAGRAPH J. FACILITIES	ENGINEER'S COST ESTIMATE OF SALOME HEIGHT

[Developer's Letterhead]

March ____, 2007

Mary Lou Cox
P. O. Box 208
Salome, AZ 85348

RE: Request for Utility Service

Dear Mrs. Cox;

We own the property described in the attached exhibit, in La Paz County, Arizona. This area will be developed into approximately 29 residential lots as soon as all required approvals are obtained.

To obtain water service to the area, we hereby request that you proceed with applying to the Arizona Corporation Commission for a Certificate of Convenience and Necessity, to La Paz County for a Utility Franchise, and to any other appropriated agency for all other requisite authority necessary to provide the subject service, and thereafter commence water service to the Development.

We understand that we will be required to enter into the Company's standard line extension agreements pursuant to which we will pay for all on-site facilities. We further understand that the water service will be provided pursuant to the orders, rules, regulations, tariffs, terms and conditions authorized by the Arizona Corporation Commission which apply to the Company.

If we can provide further assistance to the Company in obtaining this required authority, please do not hesitate to call my office.

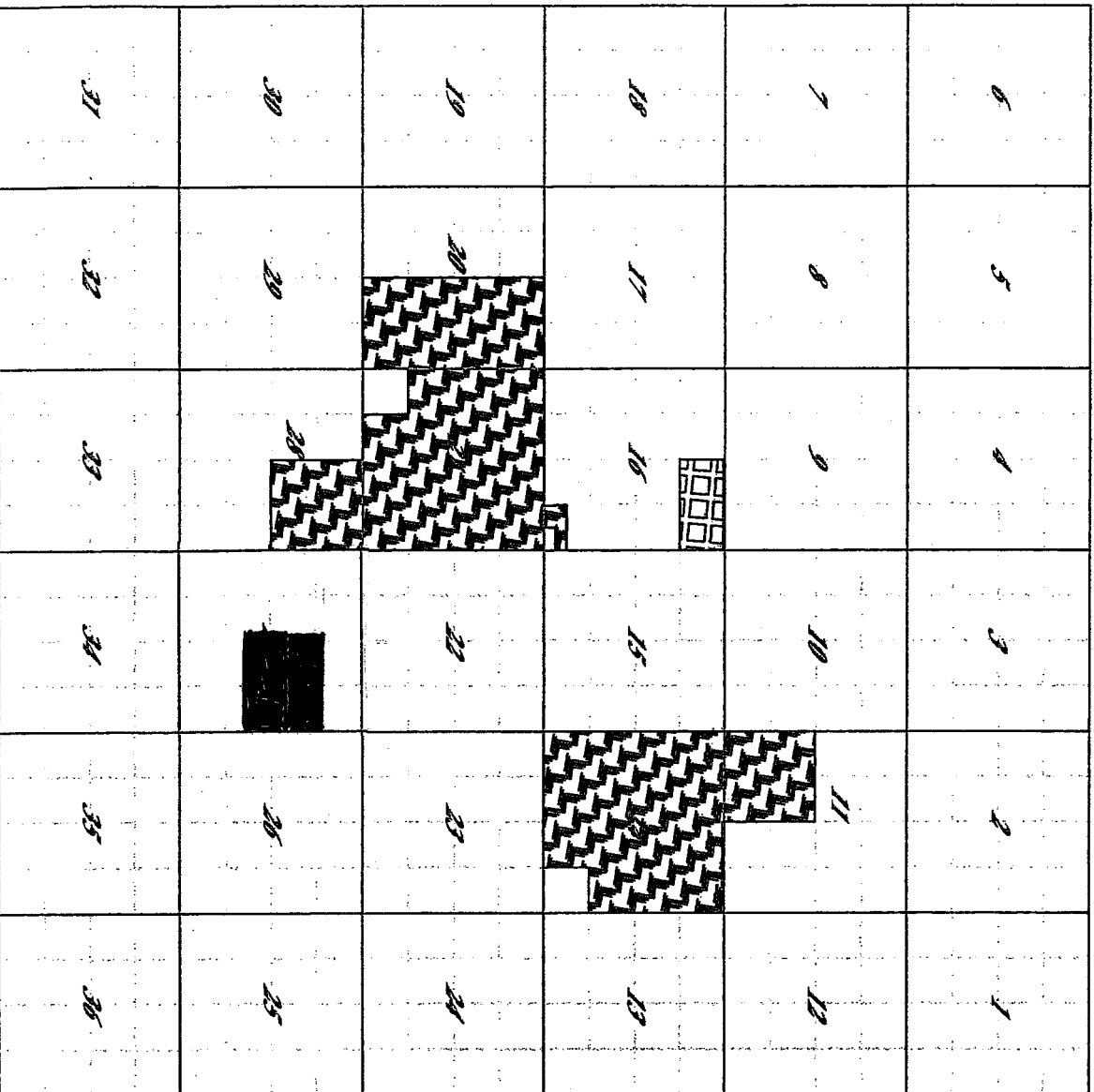
Sincerely,

A handwritten signature in cursive script that reads "Mary Lou Cox".

ATTACHMENT 1

COUNTY: La Paz

RANGE 13 West



TOWNSHIP 5 North



W-2169 (1)

Keaton Development Company



W-1084 (1)

Salome Water Company



Keaton Development Company
Requested Extension Area

REVISED EXHIBIT C

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SUNSHINE ACRES

The South 613.77 feet of the North 913.77 feet of the Northeast Quarter of Section 27, Township 5 North, Range 13 West of the G&SRB&M, La Paz, Arizona

SALOME HEIGHTS

PARCEL DESCRIPTION

That parcel of land situated in the NE 1/4 of Section 27, Township 5 North, Range 13 West, Gila & Salt River Meridian, La Paz County, Arizona, and being more particularly described as follows:

Commencing for reference at the Northeast corner of said Section 27; Thence S0°05'59"E along the East line of said Section 27 a distance of 912.85 feet to a point on the centerline of Palm Boulevard, said point also being the POINT OF BEGINNING; Thence N89°57'55"W along the centerline of said Palm Boulevard a distance of 2135.18 feet to the beginning of a curve to the right, concave to the Northeast, having a radius of 300.00 feet and a central angle of 43°40'49"; Thence Northwest along said curve an arc distance of 228.71 feet, said arc also being the centerline of said Palm Boulevard; Thence N46°17'06"W along the centerline of said Palm Boulevard a distance of 47.20 feet to the intersection of Palm Boulevard and Mesquite Avenue; Thence S43°42'54"W along the centerline of said Mesquite Avenue a distance of 299.90 feet to the beginning of a curve to the left, concave to the Southeast, with a radius of 300.00 feet and a central angle of 43°37'15"; Thence Southwest along said curve an arc distance of 228.40 feet, said arc also being the centerline of said Mesquite Avenue; Thence S0°05'39"W along the centerline of said Mesquite Avenue a distance of 265.87 feet to the intersection of Mesquite Avenue and Cactus Street; Thence S89°57'55"E along the centerline of said Cactus Street a distance of 2668.28 feet to a point on the East line of said Section 27; Thence N0°05'59"W along the East line of said Section 27 a distance of 574.00 feet to the POINT OF BEGINNING.

Containing 37.05 acres, more or less.

KEATON DEVELOPMENTCOMPANY
 CC&N Application Revenue and Expense Computation

Revenue Computation

	2007	2008	2009	2010	2011
Absorption					
Year-end Additional Customers					
Sunshine Acres	20	20	20	20	27
Salome Heights	6	6	6	6	5
Total new customers	26	26	26	26	32
Average New Customers during Year	13	39	65	91	120

Rates	
WATER	
Meter Size	5/8 x 3/4
Average Monthly Consumption	4,289
Monthly Minimum	\$ 16.00
Gallons included in Minimum	0
Commodity Charges:	
'0 to 8,000 Gallons	\$ 3.00
'8,001 & Over	\$ 4.25
Average Monthly Bill	\$ 34.23

Annual Water Revenues	\$ 5,340	\$ 16,019	\$ 26,698	\$ 37,377	\$ 49,289
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Expense Computation

Ratio of Expenses to Revenue						
Water	91.76%					
Annual Water Expenses		\$ 4,900	\$ 14,699	\$ 24,498	\$ 34,298	\$ 45,228

REVISED EXHIBIT E

Cox-Sunshine Acres-Addition
Water Supply and Construction Cost

Item	Quantity	Unit	Unit Price	Extention
Trench Excavation, Compact Backfill	6590	LF	5.00	32,950.00
Install 6" C-900 CI 150 PVC water pipe	6590	LF	9.50	62,605.00
Install 6" Gate Valves and Operator Wells	9	EA	800.00	7,200.00
Install fittings and thrust blocks	10	EA	250.00	2,500.00
		TOTAL		\$ 105,255.00

PARAGRAPH J